

## Top 5 Benefits to Moving Your IT Infrastructure to the Cloud

### Executive Summary

“The Cloud” is a new industry term that some might caution is a new technology requiring a pause before taking that proverbial “leap of faith”. Those “some” might not have been around for the birth of the computer age when mainframes delivered application services to companies that couldn’t afford them, couldn’t support them and didn’t want to have to program them. Centralized services delivered to companies through dumb terminals were the dominant infrastructure solution that started the computer revolution and gave companies tremendous productivity advantages to compete in the world. Those enterprises that embraced this early form of “cloud” computing created a competitive edge that ultimately allowed them to dominate their slower to adopt competitors.

Then in the 80’s, along came the “personal computer” revolution and that brought us tremendous improvements in personal productivity and the ability to personalize the computing environment. Personal computing and the rise of high speed local area networks (LANs) created an environment ideal for localized servers and distributed computer infrastructures which epitomized the late 90’s and early 21st century. Unfortunately, along with localized infrastructures came tremendous responsibility in configuring, managing and supporting these local datacenters and network infrastructures. With the exploding complexities of these datacenters, companies are faced with ever increasing and sprawling IT departments, rising and redundant capital expenditures and the ever increasing challenge of dealing with infrastructure obsolescence. Indeed, companies are faced with an ever increasing portion of their overall operating expenses going towards managing their datacenters and infrastructures when that isn’t their core expertise or even their unique value add from their customer’s point of view!

Knowledgeable enterprises today realize that trying to manage their own datacenters and IT infrastructure in today’s competitive world can turn what once might have been a competitive advantage into a boat anchor tied around their necks, potentially taking their company down. These enterprises are quickly embracing the IT infrastructure of the 21st century... IT Cloud Services.

In a Cloud IT Services environment, all IT services reside in a secure, reliable, high performance, infinitely scalable “cloud” data-center, delivered by a company that is an expert in creating, delivering and maintaining those services. Services such as communications, computing, storage and mobility can now be delivered from the cloud by services providers that understand how to configure, deploy, and maintain those services reliably securely. Once deployed, Cloud IT Services can be easily self-managed and deliver incredible benefits to an enterprise in the form of lower total cost of ownership, higher productivity, higher levels of business continuity, incredible infrastructure flexibility and the ability for the enterprise to focus virtually all its resources on its core business and customers. This whitepaper describes the top 5 benefits to moving your IT infrastructure to a Cloud IT Services infrastructure.

### Benefit #1: Lower Total Cost of Ownership (TCO)

IT services today are numerous and daunting. IT departments must deal with everything from file/storage services to communication services. Unfortunately, for many IT departments, these services typically have been implemented individually over a long period of time, resulting in a mish-mash of on-premises obsolete equipment, disjoint connectivity pipes ranging from PRI’s to T1’s, and a confusing array of administration portals and support/maintenance agreements to manage. As a result, IT staffing resources dramatically expand, capital equipment budgets explode and ongoing operating expenses continue to rise, driving up the Total Cost of Ownership (TCO) for all these IT services through the roof. For many enterprises, the insidious nature of this

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inefficient IT structure may be hidden in multiple places on a P&L or balance sheet, further masking the high TCO.

**“Disparate on-premises equipment and services hobbled together over time can cost an enterprise significantly in obsolescence costs, inefficient connectivity costs, and inefficient IT resource costs required to managed and administer dis-joint services.”**

In stark contrast, with a cloud-based unified IT infrastructure, enterprises can achieve a much lower TCO through a number of improvements. First, by moving IT services to a common unified managed cloud IT service provider, capital equipment expense is eliminated along with equipment obsolescence costs. The cloud service provider absorbs all of the ongoing upgrade and maintenance costs of the service. An important aspect of this transition is that as new technologies and features are developed by the service provider, they are instantly available to the enterprise, generally at no extra cost. In essence, futureproofing the enterprise’s infrastructure. Secondly, by combining several inefficient IP pipes into a smaller number of more efficient Ethernet over Copper (EoC) connections, enterprises can realize significant savings on recurring communications costs. Finally, deploying unified cloud IT services can significantly reduce administration and maintenance overhead in the enterprise’s IT department. With cloud services, self-management of the services becomes a snap with a consistent easy to use universally available browser administration portal. This can allow enterprises to reduce overhead costs while actually providing better service to the enterprise. Taken together, the reduction in TCO benefit received from moving an enterprise’s IT services to a cloud service provider can be huge.

## **Benefit #2: Increased Productivity**

Employee productivity depends on a number of aspects. Low productivity can be a result of inefficient

IT services or the lack of effective IT services. In either case, when you have an enterprise that is saddled with many disjoint on-premises IT services being managed and supported from a resource limited IT staff with limited knowledge of those services, the result will undoubtedly be lower productivity for every employee. In many circumstances, the challenges of current inefficient services will prevent IT departments from deploying new services that can improve employee efficiencies, opting to simply “maintain the status quo”. As employees become more mobile, these inefficiencies and limited services can dramatically lower employee productivity to the point of impacting sales and customer satisfaction.

**“15 minutes a day in increased productivity can save an average sized enterprise hundreds of thousands of dollars in below the line expense reduction.”**

By moving an enterprise’s IT services to a unified cloud IT service provider, enterprises and their employees gain access to the latest and greatest services since the service provider’s sole focus and capabilities center on developing and deploying leading edge IT services. In addition, cloud-based IT services are consistently available from any device anywhere in the world, making mobile employees more productive because they have access to all their IT services in a consistent manner. An example of this are unified communications services. Unified communications services provided by multiple on- premises solutions across an enterprise can be inconsistent and potentially incompatible for mobile employees, resulting in inefficient or no access to information or communications critical to doing business. Cloud-based unified communications delivers consistent information and communications to employees anywhere in the world in real time, thus maximizing employee productivity.

## **Benefit #3: Global Enterprise Continuity**

Enterprise continuity is often overlooked in enterprises until disaster strikes and then it is often too late to save an enterprise

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from thousands and even millions of dollars in lost business. Indeed, for every minute an enterprise is down due to a critical IT service like communications or information access being down, damage to existing customer relationships as well as potential new clients can mount until the damage is un-repairable, especially in this age of service oriented products. Customers can and will take their business to another vendor rather than risk working with a company that cannot guarantee features and services at all times. When providing IT services from on-premises resources, those services are susceptible to a multitude of frequently occurring local events that can take that service down. From weather impacting phenomenon such as tornadoes, hurricanes and snow storms to other nature disasters such as fires and power outages, many enterprises are simply not equipped to inoculate their on-premises services from these impacts.

**“With one of the worst natural disaster years in a decade for US enterprises and billions of dollars lost in potential customer revenues, enterprise continuity has become front and center in the minds of many C-level executives.”**

With unified cloud IT services, enterprises become much more immune to “local” impacting events. A local enterprise event that disrupts the location doesn’t impact the global enterprise cloud services being delivered from a safe and secure cloud infrastructure. Since most cloud services can be accessed from a multitude of devices, employees typically can continue to access their services. In other cases, most cloud services have a “disaster mode” in which they can re-route communications and/or access to pre-defined alternative end devices (such as cell phones). In either case, customers and partners typically won’t see any business disruption at all. Unified cloud IT services can ensure that your enterprise maintains business continuity no matter where your employees or offices are located and no matter what local negative impacting event occurs.

## **Benefit #4: Elastic Futureproof Infrastructure**

In the 21st century business world, flexibility and adaptability will define successful enterprises. Whether it’s the ability to quickly set up new offices in new locations around the world, fluidly move employees to new locations when the need arises, or instantly respond to changing financial demands by efficiently and effectively reducing or expanding your infrastructure, an elastic infrastructure can mean the difference between a responsive organization and a non-responsive one. And in today’s world, responsiveness wins. Enterprises that deal with on-premises IT services have to inherently deal with hard assets that in many instances are obsolete the day they are installed and simply cannot respond to the ever changing demands of a dynamic environment. Many on-premises hardware companies have resorted to 5 year leasing options to defer upfront capital costs for enterprises, but this trade-off can result in the enterprise saddled with an inflexible long term equipment lock which is inflexible and inefficient at best and virtually ensures feature and equipment obsolescence.

**“Elastic resources and services provided by managed cloud IT service providers maximize an enterprises ability to be responsive to customers at the dynamically lowest implementation cost.”**

Unified cloud IT services offer an elastic futureproof service resource that gives an enterprise infinite flexibility and ensures that their infrastructure will remain world-class and leading edge at all times. Since the unified IT service provider absorbs all the capital asset expense and management necessary to deliver the service at any scale necessary, the enterprise can leverage this benefit by dynamically adjusting their infrastructure to minimize excess costs and overhead. And because the unified IT service provider is an expert at developing and deploying the cloud IT services, the enterprise can be sure that as new technologies are made available, their infrastructure will instantly have access to those new features and technologies, further enhancing their competitive edge without the costly investment normally associated with an on-premises infrastructure.

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## Benefit #5: Focus on Business, Not Infrastructure

Let's face it, in order to compete in today's business world, you have to focus and be an expert in something. This is what customers value and are willing to pay for. In general, an enterprise's core competency is NOT their IT infrastructure. In fact, in most cases, it is a complete distraction to their core competency. While this distraction might have been hidden under the radar screen several years ago, the critical reliance on so many IT services today makes that distraction visible to everyone in the enterprise who has to deal with inefficiencies and the lack of leading edge services. This "distraction" can amount to as much as 5% of an enterprise's revenue. You have to ask yourself "If you knew that 5% of your revenue stream was being lost because you didn't have the right solution for the customer, would you continue to push the wrong product?"

**"Enterprises that shed distractions and focus on their core competencies have a significantly higher probability of success than those that wrestle with both."**

By outsourcing your IT services to a unified cloud IT service provider, you move a non-core "distraction" into the hands of industry experts whose core competency is to develop and deliver those services to your enterprise. Suddenly, what was a frustrating deficit and distraction becomes a simplified self-managed cloud IT service in which the enterprise no longer is responsible for creating and maintaining, but is simply a customer of the services, enjoying all the benefits of being a customer instead of a provider. And resources and capital previously dedicated to these non-core IT services can be redeployed to an enterprise's core competency areas so that even more of your enterprise's resources can have a direct positive impact on your business.



## Streams: PanTerra's Unified Cloud IT Service

As a unified IT service provider, PanTerra delivers a broad spectrum of IT services through its Streams service solution. Streams delivers Unified Communications, Cloud Storage and Mobility services through a single unified cloud solution, virtually eliminating an enterprise's capital inefficient datacenter expenses, lowering overall IT operating costs, maximizing productivity and

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eliminating costly service redundancies. Enterprises now have a single administration portal to manage and administer all their cloud IT services consistently across all employees around the world.

Streams services can be mixed and matched to each individual employee within the enterprise and changes to services can be done instantly at the click of a mouse. As new features and services become available from PanTerra, they are instantly available to an enterprise, creating a futureproof IT infrastructure that ensures access to leading edge IT technology to keep your enterprise at maximum competitiveness.

## About PanTerra Networks

PanTerra Networks, Inc. is the premier service provider of unified cloud IT services with Streams. Streams represents a new era in unified IT services from the cloud. By unifying the most critical IT services into a single cloud deployed service, Streams significantly reduces capital equipment expense and associated obsolescence, reduces ongoing operating expenses, increases productivity and competitiveness, and creates an elastic and futureproof infrastructure ideally suited for today's dynamic business environment. With Streams, enterprises can focus all their resources on their core competencies and not their IT infrastructure.

PanTerra Networks is privately held and is headquartered in Santa Clara, California, with Research and Development based in Hyderabad, India. For more information, please visit <http://www.panterranetworks.com> or call us at +1 800.805.0558 or email us at [info@panterranetworks.com](mailto:info@panterranetworks.com).

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